

# NEW MEXICO BUSINESS

## CURRENT ECONOMIC REPORT

Vol. 8 No. 11  
December 1987

### 1987 Economic Review and Outlook for the New Mexico Economy in 1988

Events have turned the U.S. economy on its head. The nation's economy was gaining momentum prior to the historic October 19th stock market crash that wiped out a trillion dollars of paper wealth. Exports, capital spending, and federal outlays had boosted GNP in the second half of 1987 until the crash. As an example, industrial production was up a healthy 5.1 percent in October from the previous year. A lower dollar has stimulated export demand for U.S. manufactured goods.

Prior to October 19th the Federal Reserve had tightened monetary policy, raising the discount rate to stem inflationary expectations and to keep foreign capital in the U.S. The stock market collapse forced the Federal Reserve to reverse monetary policy. Now the Federal Reserve is in a difficult predicament. A continued policy of ease could reignite fears of inflation while too strict of a monetary policy could bring on recession. Prices for intermediate goods and commodities are still rising due to strong industrial demand and capacity constraints on American industry. Import prices are also edging upwards with the devalued dollar. Congress was coerced to act on the Gramm-Rudman law and agreed in principle on \$30.2 billion of cuts in the FY88 federal budget and \$45.8 billion in FY89. But investors worldwide were not impressed with this too little, too late response.

Consumers have reacted with less confidence but the extent is uncertain. However, the loss of wealth impact may not be as dreadful as feared. Most investors are in the market for the long haul, so the recent loss of wealth may have only transitory effects on the economy. Still, consumers are acting with restraint which may bring spending back in line with weak 1987 income growth.

The U.S. economy is expected to muddle through 1988 with 1.7 percent growth, according to Data Resources, Inc. Expanding exports, sliding interest rates, and rebuilding of inventories should keep the economy above water, offsetting expected weaknesses in the consumer sector. Growth in personal income is forecasted to rise at the slowest rate in over two decades; yet a 2.0 percent gain in real disposable income is expected in 1988. Capital spending will also suffer from weak consumer demand and the increased cost of equity financing. Inflation is expected to increase 4.3 percent, reflecting rising prices for oil, food, and imports. Price increases in commodities and intermediate goods, moreover, will flow through to final products.

New Mexico's economy again lagged the nation in 1987.

New Mexico nonagricultural employment grew just 1.2 percent this year compared to 2.4 percent for the U.S. The state's unemployment rate dropped slightly in 1987, averaging 8.9 percent, but remains well above the national rate of 6.2 percent. New Mexico personal income advanced a slow 3.4 percent in 1987, the slowest rate of growth since 1960. An estimated 1.7 percent decline in real disposable personal income plagues New Mexicans as inflation outstrips nominal income gains. The consumer sensitive sectors of trade, services, and finance, insurance and real estate have all slowed. Furthermore, the construction industry lost 3.0 percent of its jobs in 1987.

Government employment growth has also waned. New Mexico gained only 0.8 percent more government jobs in 1987. Tight federal and state expenditures held back growth. To compensate for lower and volatile revenues, the state legislature enacted into law the largest tax increase in state history. The measure broadened and strengthened New Mexico's tax base, an appropriate response to unpredictable revenues from oil and other extractive industries. Local government employment grew 2.1 percent, mainly from rising school enrollments.

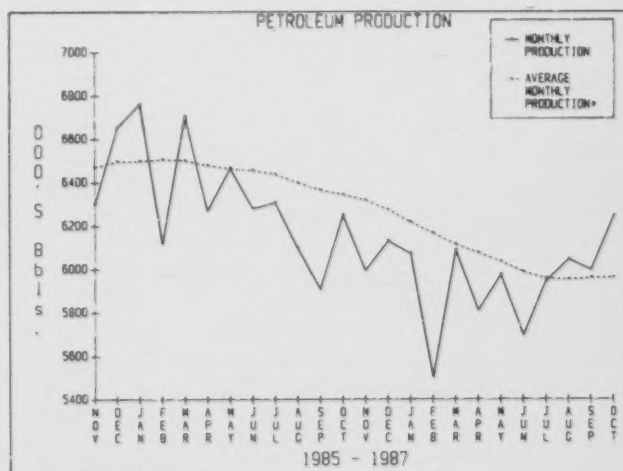
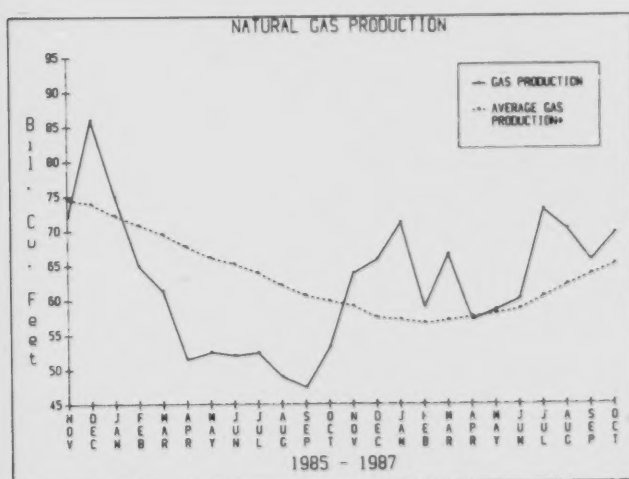
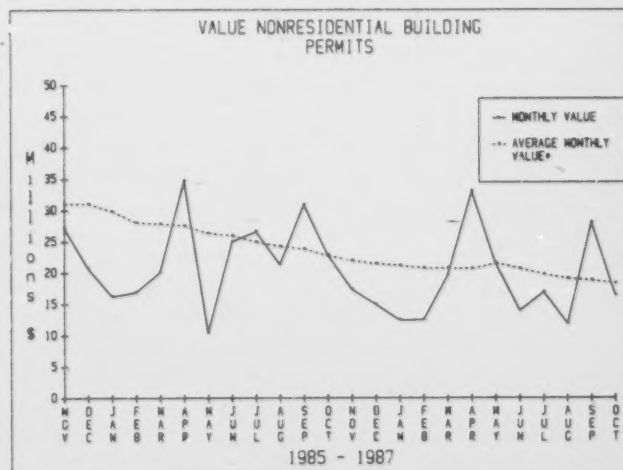
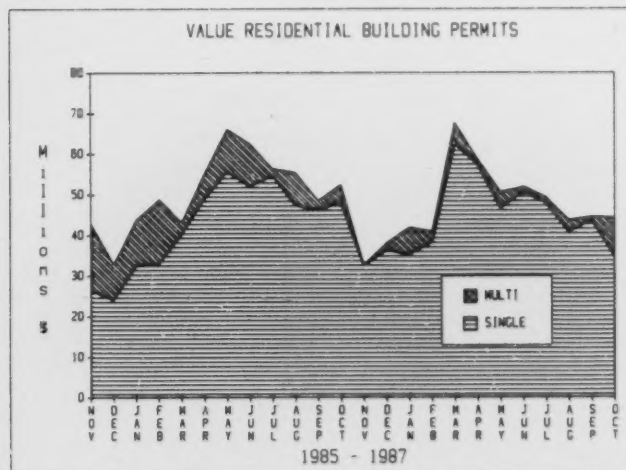
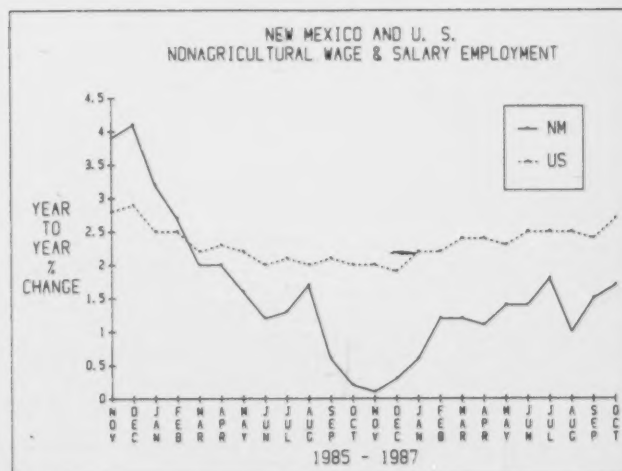
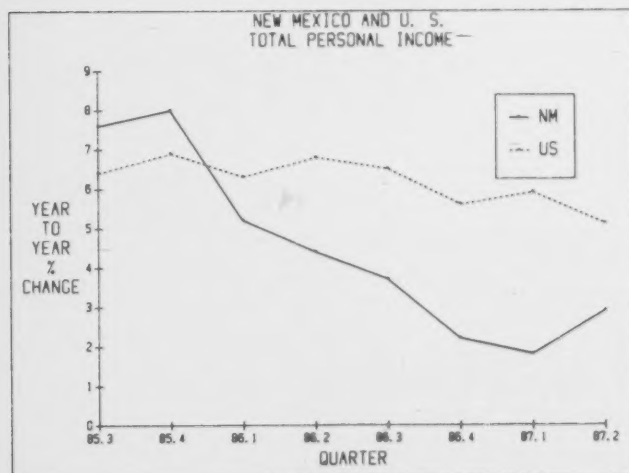
New Mexico's manufacturing sector has been helped by a sharply devalued dollar. After little growth in 1986, manufacturing jobs should rise 3.1 percent in 1987. Expansions are occurring at bus producer Transportation Manufacturing Corporation and Levi Strauss in Roswell and at electronics plants in the Albuquerque area. The mining sector also is rebounding with a new coal mine this year, rising copper production, and increasing gas production, though oil sales are lower compared to last year.

Albuquerque's stellar economic performance the last few years has subsided in 1987. Nonagricultural employment in the city rose 2.2 percent in 1987, slightly below the U.S. rate. The city's trade and services sectors experienced good job growth, while construction employment fell despite the airport expansion. Manufacturing and the large government sector showed virtually no change in 1987. The city's unemployment rate averaged 6.3 percent, well below the state but similar to the national rate.

The 1988 economic outlook in New Mexico is for continued modest growth. Reduced federal spending could hurt the state's economy which depends upon federal spending directly for at least 15 percent of New Mexico's jobs. Federal expendi-

(Continued on Page 7)

## ECONOMIC TRENDS IN NEW MEXICO



\*12 month moving average. For example, the point for August, 1986 represents an average of data from September, 1985 through August, 1986.

## U.S. ECONOMIC INDICATORS

|                                                                 |        | CURRENT<br>MO/QTR DATA | % CHANGE<br>YEAR AGO | PREVIOUS<br>MO/ QTR<br>DATA |
|-----------------------------------------------------------------|--------|------------------------|----------------------|-----------------------------|
| Consumer price index                                            |        |                        |                      |                             |
| All urban consumers (1967=100)                                  |        |                        |                      |                             |
| All items                                                       | Oct 87 | 345.3                  | 4.5                  | 344.4                       |
| Food and beverages                                              | Oct 87 | 326.9                  | 3.6                  | 326.4                       |
| Housing                                                         | Oct 87 | 375.2                  | 3.4                  | 375.4                       |
| Apparel and upkeep                                              | Oct 87 | 226.3                  | 6.1                  | 222.2                       |
| Transportation                                                  | Oct 87 | 321.9                  | 6.4                  | 320.4                       |
| Medical care                                                    | Oct 87 | 469.8                  | 6.2                  | 467.8                       |
| Entertainment                                                   | Oct 87 | 287.1                  | 3.8                  | 285.2                       |
| Other goods and services                                        | Oct 87 | 375.5                  | 5.9                  | 373.9                       |
| Revised series, wage earners<br>and clerical workers (1967=100) |        |                        |                      |                             |
| All items                                                       | Oct 87 | 340.0                  | 4.6                  | 339.1                       |
| Gross national product* (\$Bil. constant)                       |        |                        |                      |                             |
|                                                                 | III 87 | 3831.2                 | 3.1                  | 3795.3                      |
| Prime interest rate** (% per annum)                             | Sep 87 | 8.8                    | 16.7                 | 8.3                         |
| Mortgage interest rate*** (% per annum)                         | Sep 87 | 9.4                    | -7.8                 | 9.4                         |
| 3 month treasury bill# (% per annum)                            | Sep 87 | 6.3                    | 21.8                 | 6.0                         |
| Industrial production## (1977=100)                              | Sep 87 | 131.2                  | 5.4                  | 131.0                       |
| Manufacturers new orders### (\$Bil.)                            | Sep 87 | 205.7                  | 6.2                  | 203.4                       |

## NEW MEXICO AND U.S. COMPARISONS

|                                  |        | NEW MEXICO                |                      |                            | UNITED STATES             |                      |                            |
|----------------------------------|--------|---------------------------|----------------------|----------------------------|---------------------------|----------------------|----------------------------|
|                                  |        | CURRENT<br>MO/QTR<br>DATA | % CHANGE<br>YEAR AGO | PREVIOUS<br>MO/QTR<br>DATA | CURRENT<br>MO/QTR<br>DATA | % CHANGE<br>YEAR AGO | PREVIOUS<br>MO/QTR<br>DATA |
| Employment (000)                 | Oct 87 | 622.0                     | 0.0                  | 615.6                      | 113,898                   | 2.8                  | 113,027                    |
| Unemployment rate (%)            | Oct 87 | 8.2                       | -9.8                 | 8.3                        | 5.7                       | -13.6                | 5.7                        |
| Nonagricultural employment (000) | Oct 87 | 540.9                     | 1.8                  | 539.3                      | 103,749                   | 2.8                  | 102,913                    |
| Personal income### (\$Mil.)      | II 87  | 17,394                    | 2.9                  | 17,070                     | 3,705,169                 | 5.2                  | 3,660,342                  |
| Housing units permitted          |        |                           |                      |                            |                           |                      |                            |
| Single                           | Oct 87 | 527                       | -26.0                | 663                        | 83,029                    | -10.1                | 87,232                     |
| Multi                            | Oct 87 | 216                       | 12.5                 | 11                         | 41,469                    | -21.7                | 49,300                     |

Note: Selected data items subject to revision.

N Not available.

\* 1982 dollars at seasonally adjusted annual rates.

\*\* Closing rate for month.

\*\*\* Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.

# Rate on new issues within period; bank discount basis.

## Monthly data seasonally adjusted.

### Quarterly data seasonally adjusted at annual rates.

Sources: U. S. Department of Labor, News: CPI data;  
New Mexico Department of Labor and U. S. Bureau of Labor Statistics: employment and unemployment data.

U. S. Department of Commerce, Bureau of Economic Analysis: income data;

U. S. Department of Commerce, Bureau of the Census: construction data.

U. S. Council of Economic Advisors, Economic Indicators: all other data.

## NEW MEXICO ECONOMIC INDICATORS

|                                                    |        | CURRENT<br>MO/QTR DATA | % CHANGE<br>YEAR AGO | PREVIOUS<br>MO/QTR<br>DATA | % CHANGE#<br>12 MONTH<br>AVERAGES |
|----------------------------------------------------|--------|------------------------|----------------------|----------------------------|-----------------------------------|
| 1. GENERAL                                         |        |                        |                      |                            |                                   |
| Civilian labor force* (000)                        | Oct 87 | 677.3                  | -1.0                 | 671.0                      | 1.1                               |
| Total employment* (000)                            | Oct 87 | 622.0                  | 0.0                  | 615.6                      | 1.3                               |
| Unemployment* (000)                                | Oct 87 | 55.3                   | -11.2                | 55.4                       | -1.1                              |
| Unemployment rate (%)                              | Oct 87 | 8.2                    | -9.8                 | 8.3                        | -2.1                              |
| Weekly new unemployment insurance claims           | Oct 87 | 1192.0                 | -36.5                | 1108.0                     | -18.0                             |
| Nonagricultural wage/salary employment** (000)     | Oct 87 | 540.9                  | 1.8                  | 539.3                      | 1.1                               |
| New business incorporations                        | Aug 87 | 197.0                  | 7.1                  | 203.0                      | -2.8                              |
| Personal income*** (\$ mil.)                       | II 86  | 17394.0                | 2.9                  | 17070.0                    | 2.7                               |
| 2. AGRICULTURAL RECEIPTS                           |        |                        |                      |                            |                                   |
| Livestock and products (\$ mil.)                   | Aug 87 | 49.3                   | 7.5                  | 49.4                       | 9.6                               |
| Crops (\$ mil.)                                    | Aug 87 | 33.9                   | 7.3                  | 40.4                       | -7.1                              |
| Total (\$ mil.)                                    | Aug 87 | 83.3                   | 7.7                  | 89.8                       | 4.3                               |
| 3. MINING                                          |        |                        |                      |                            |                                   |
| Employment** (000)                                 | Oct 87 | 15.6                   | 2.7                  | 15.3                       | -13.8                             |
| Average hourly earnings (\$)                       | Oct 87 | 11.25                  | -9.7                 | 11.75                      | -5.6                              |
| Petroleum production (000 bbls.)                   | Oct 87 | 6245.2                 | 0.0                  | 5995.9                     | -6.0                              |
| Natural gas production (bil. cu. ft.)              | Oct 87 | 69.5                   | 30.7                 | 65.6                       | 8.8                               |
| Coal production (000 short tons)                   | Sep 87 | 2162.0                 | 12.8                 | 2092.0                     | -6.6                              |
| Oil well completions&                              | Oct 87 | 58.0                   | 56.8                 | 35.0                       | -39.2                             |
| Gas well completions&                              | Oct 87 | 24.0                   | 33.4                 | 19.0                       | -41.7                             |
| Total footage drilled&& (000)                      | Oct 87 | 403.7                  | 7.0                  | 325.6                      | -44.6                             |
| Oil sales (\$ mil.)                                | Aug 87 | 111.8                  | 60.9                 | 112.2                      | -20.7                             |
| Gas sales (\$ mil.)                                | Aug 87 | 99.0                   | 32.4                 | 99.3                       | -31.8                             |
| 4. CONSTRUCTION                                    |        |                        |                      |                            |                                   |
| Employment** (000)                                 | Oct 87 | 34.8                   | -3.0                 | 35.0                       | -3.6                              |
| Average hourly earnings (\$)                       | Oct 87 | 11.15                  | 5.6                  | 10.96                      | 1.0                               |
| Residential units permitted                        | Oct 87 | 743.0                  | -17.9                | 674.0                      | -25.5                             |
| Residential building permits (\$ mil.)             | Oct 87 | 44.4                   | -15.4                | 44.6                       | -7.1                              |
| Nonresidential building permits (\$ mil.)          | Oct 87 | 16.3                   | -28.5                | 28.0                       | -20.1                             |
| Residential construction contracts (\$ mil.)       | Oct 87 | 48.0                   | -35.5                | 54.2                       | -18.5                             |
| Nonresidential construction contracts (\$ mil.)    | Oct 87 | 46.1                   | -16.7                | 46.7                       | -11.7                             |
| Nonbuilding construction contracts (\$ mil.)       | Oct 87 | 11.1                   | -66.6                | 25.1                       | 15.9                              |
| 5. TRANSPORTATION/COMMUNICATION/UTILITIES          |        |                        |                      |                            |                                   |
| Employment** (000)                                 | Oct 87 | 29.0                   | -2.0                 | 29.1                       | -2.7                              |
| Average hourly earnings### (\$)                    | Oct 87 | 13.52                  | 4.8                  | 13.79                      | 13.9                              |
| 6. MANUFACTURING                                   |        |                        |                      |                            |                                   |
| Employment** (000)                                 | Oct 87 | 40.4                   | 4.7                  | 40.2                       | 2.7                               |
| Average hourly earnings (\$)                       | Oct 87 | 8.46                   | -4.0                 | 9.09                       | 0.4                               |
| Electric & electronic equipment employment** (000) | Oct 87 | 4.6                    | 4.6                  | 4.4                        | -8.5                              |
| Transportation equipment employment** (000)        | Oct 87 | 5.4                    | 25.6                 | 5.2                        | 9.6                               |
| Food & kindred products employment** (000)         | Oct 87 | 4.7                    | -6.0                 | 4.9                        | 4.8                               |
| Textile & apparel employment** (000)               | Oct 87 | 2.6                    | 8.4                  | 2.6                        | 4.2                               |
| Lumber & wood products employment** (000)          | Oct 87 | 2.9                    | 0.0                  | 3.0                        | 3.8                               |

## NEW MEXICO ECONOMIC INDICATORS (continued)

|                                                 |        | CURRENT<br>MO/QTR DATA | % CHANGE<br>YEAR AGO | PREVIOUS<br>MO/QTR<br>DATA | % CHANGE#<br>12 MONTH<br>AVERAGES |
|-------------------------------------------------|--------|------------------------|----------------------|----------------------------|-----------------------------------|
| 7. TRADE                                        |        |                        |                      |                            |                                   |
| Wholesale employment** (000)                    | Oct 87 | 22.7                   | 1.4                  | 22.5                       | -0.8                              |
| Retail employment** (000)                       | Oct 87 | 108.5                  | 2.4                  | 109.4                      | 3.1                               |
| Average hourly earnings (\$)                    | Oct 87 | 6.72                   | -0.4                 | 6.88                       | 0.2                               |
| 8. FINANCE/INSURANCE/REAL ESTATE                |        |                        |                      |                            |                                   |
| Employment** (000)                              | Oct 87 | 27.3                   | 1.5                  | 27.4                       | 2.3                               |
| Bank average hourly earnings (\$)               | Oct 87 | 5.95                   | 1.9                  | 5.92                       | 3.6                               |
| Bank total assets (\$ mil.)                     | I 87   | 9620.6                 | 2.4                  | 9873.0                     | 3.7                               |
| Bank total deposits (\$mil.)                    | I 87   | 8308.5                 | 2.3                  | 8523.2                     | 3.4                               |
| Bank gross loans (\$ mil.)                      | I 87   | 5582.4                 | 0.3                  | 5598.5                     | 1.0                               |
| S & L total assets (\$ mil.)                    | Sep 87 | 6231.0                 | 13.3                 | 6126.0                     | 14.5                              |
| S & L total deposits (\$ mil.)                  | Sep 87 | 4624.0                 | 5.7                  | 4620.0                     | 7.7                               |
| S & L new mortgage loans closed&&& (\$ mil.)    | Sep 87 | 116.0                  | -29.6                | 105.0                      | 4.3                               |
| 9. SERVICES AND TOURISM                         |        |                        |                      |                            |                                   |
| Total service employment** (000)                | Oct 87 | 122.4                  | 4.3                  | 123.2                      | 3.8                               |
| Lodging employment** (000)                      | Oct 87 | 12.3                   | 5.2                  | 12.7                       | 8.1                               |
| Eating & drinking places employment** (000)     | Oct 87 | 38.6                   | 1.9                  | 39.5                       | 2.2                               |
| Visits to state parks (000)                     | Oct 87 | 309.6                  | -9.0                 | 585.6                      | -6.8                              |
| Visits to national parks/monuments (000)        | Oct 87 | 133.8                  | 11.0                 | 161.5                      | -1.0                              |
| Passenger traffic at Albuquerque airport@ (000) | Oct 87 | 375.1                  | 1.4                  | 333.5                      | 5.5                               |
| Lodgers tax receipts (\$ 000)                   | II 87  | 1910.5                 | 11.4                 | 1557.4                     | N                                 |
| Lodging occupancy rates (%)                     | Oct 87 | 73.1                   | 16.8                 | 67.2                       | 2.6                               |
| 10. GOVERNMENT                                  |        |                        |                      |                            |                                   |
| Total government employment** (000)             | Oct 87 | 140.2                  | 0.3                  | 137.2                      | 0.9                               |
| Federal employment** (000)                      | Oct 87 | 30.9                   | 3.4                  | 31.2                       | 2.0                               |
| State employment** @ (000)                      | Oct 87 | 47.2                   | -9.2                 | 46.4                       | -2.9                              |
| Local employment** (000)                        | Oct 87 | 62.1                   | 7.3                  | 59.6                       | 3.5                               |
| Total general fund revenues@@@ (\$ mil.)        | Sep 87 | 122.9                  | 5.3                  | 119.0                      | 1.5                               |

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Note: selected data items subject to revision.

N Not available.

\* Number of persons by place of residence.

\*\* Number of jobs by place of work.

\*\*\* Quarterly data seasonally adjusted at annual rates.

& These include wells that are in the following categories: new drillings, deepened, plugged back, reentry and additional zone.

&& Oil and gas combined.

&&& New mortgage loans closed equals the previously carried item "Total loans closed" plus a relatively insignificant additional loan category.

# For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1983 to June 1984 data versus the average of July 1984 to June 1985 data.

## Communications and utilities only.

@ Passenger traffic includes enplanements and deplanements.

@@ This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL is 7,955 as of AUGUST 1986 according to U. S. Dept. of Energy, Public Affairs.

@@@ Includes recurring and non-recurring revenues.

Sources: New Mexico Department of Labor: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;

Dun and Bradstreet, Inc.: Section 1;

U. S. Dept. of Commerce, Bureau of Economic Analysis: Section 1;

USDA Statistical Reporting Service: Section 2;

New Mexico Energy, Minerals and Natural Resources Dept., Oil and Gas Conservation Division: Section 3;

New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;

U. S. Dept. of Energy, Energy Information Administration: Section 3;

U. S. Dept. of Commerce, Bureau of the Census: Section 4;

F. W. Dodge Company (a division of McGraw Hill, Inc.): Section 4;

U. S. Federal Reserve: Section 8;

Federal Home Loan Bank of Dallas: Section 8;

New Mexico Energy, Minerals and Natural Resources Dept., Park and Recreation Division: Section 9;

U. S. National Park Service: Section 9;

City of Albuquerque, Albuquerque International Airport: Section 9;

New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;

Parnell, Kerr and Forster: Section 9;

New Mexico Dept. of Finance and Administration: Section 10.

## CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS# FROM RETAIL TRADE##  
TOP 20 CITIES  
(\$000)

|             | CURRENT<br>3 MONTH<br>AVERAGE*<br>AUG-OCT | % CHANGE<br>AVERAGE<br>YEAR AGO | PREVIOUS<br>3 MONTH<br>AVERAGE*<br>MAY-JUL |
|-------------|-------------------------------------------|---------------------------------|--------------------------------------------|
| Alamogordo  | \$ 15,422                                 | 15.8                            | \$ 14,857                                  |
| Albuquerque | 222,662                                   | -0.3                            | 219,690                                    |
| Artesia     | 4,730                                     | -3.5                            | 4,578                                      |
| Carlsbad    | 11,141                                    | -7.1                            | 11,489                                     |
| Clovis      | 15,984                                    | -0.7                            | 15,791                                     |
| Deming      | 5,074                                     | 9.5                             | 4,728                                      |
| Espanola    | 7,315                                     | -1.4                            | 6,818                                      |
| Farmington  | 27,293                                    | 8.1                             | 25,985                                     |
| Gallup      | 22,698                                    | 3.4                             | 22,096                                     |
| Grants      | 4,616                                     | 26.0                            | 3,971                                      |
| Hobbs       | 15,545                                    | 3.5                             | 14,456                                     |
| Las Cruces  | 34,527                                    | 6.4                             | 33,165                                     |
| Las Vegas   | 5,885                                     | 4.1                             | 5,495                                      |
| Los Alamos  | 6,136                                     | 0.5                             | 5,563                                      |
| Portales    | 5,730                                     | -11.9                           | 5,498                                      |
| Roswell     | 18,339                                    | -2.5                            | 18,135                                     |
| Ruidoso     | 7,330                                     | 9.0                             | 5,145                                      |
| Santa Fe    | 54,224                                    | 10.5                            | 47,415                                     |
| Silver City | 8,179                                     | 22.7                            | 6,790                                      |
| Taos        | 8,494                                     | 9.3                             | 6,427                                      |
| State total | 637,880                                   | 4.9                             | 600,449                                    |

# Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

## Estimates for May, 1987 based on incomplete data.

\* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Note: Due to declining sales activity in Lovington, Grants now replaces Lovington in the top 20 cities.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION  
SELECTED CITIES

|                            | NUMBER OF BUILDING UNITS OR PERMITS * |              |                                          |              | VALUE OF BUILDING PERMITS (\$000) |              |                                          |              |
|----------------------------|---------------------------------------|--------------|------------------------------------------|--------------|-----------------------------------|--------------|------------------------------------------|--------------|
|                            | OCT.<br>1987                          | OCT.<br>1986 | CUMULATIVE TOTAL<br>THROUGH OCT.<br>1987 | OCT.<br>1986 | OCT.<br>1987                      | OCT.<br>1986 | CUMULATIVE TOTAL<br>THROUGH OCT.<br>1987 | OCT.<br>1986 |
| <b>NEW RESIDENTIAL**</b>   |                                       |              |                                          |              |                                   |              |                                          |              |
| Alamogordo                 | 29                                    | 19           | 234                                      | 265          | \$ 1,003                          | \$ 799       | \$ 9,718                                 | \$ 11,878    |
| Albuquerque                | 283                                   | 342          | 2,824                                    | 4,902        | 17,269                            | 17,690       | 181,019                                  | 213,094      |
| Carlsbad                   | 4                                     | 6            | 72                                       | 76           | 238                               | 217          | 4,118                                    | 3,865        |
| Clovis                     | 14                                    | 12           | 89                                       | 142          | 658                               | 782          | 5,354                                    | 8,006        |
| Farmington                 | 9                                     | 9            | 64                                       | 83           | 557                               | 466          | 3,533                                    | 3,492        |
| Hobbs                      | 3                                     | 2            | 25                                       | 30           | 138                               | 95           | 1,454                                    | 1,478        |
| Las Cruces                 | 26                                    | 61           | 619                                      | 468          | 1,473                             | 2,688        | 26,126                                   | 23,863       |
| Los Alamos                 | 2                                     | 9            | 60                                       | 62           | 355                               | 969          | 8,208                                    | 8,001        |
| Rio Rancho***              | 81                                    | 80           | 800                                      | 1,040        | 3,601                             | 4,619        | 43,553                                   | 54,684       |
| Roswell                    | 12                                    | 2            | 70                                       | 93           | 1,183                             | 143          | 4,763                                    | 3,786        |
| Ruidoso                    | 6                                     | 9            | 65                                       | 135          | 395                               | 818          | 4,202                                    | 7,483        |
| Santa Fe                   | 21                                    | 60           | 431                                      | 558          | 1,925                             | 4,081        | 22,705                                   | 25,778       |
| <b>NEW NONRESIDENTIAL†</b> |                                       |              |                                          |              |                                   |              |                                          |              |
| Alamogordo                 | 6                                     | 5            | 40                                       | 87           | 143                               | 1            | 2,179                                    | 2,151        |
| Albuquerque                | 2                                     | 3            | 34                                       | 41           | 1,128                             | 3,664        | 59,938                                   | 58,095       |
| Carlsbad                   | 6                                     | 16           | 53                                       | 98           | 35                                | 736          | 632                                      | 1,993        |
| Clovis                     | 3                                     | 11           | 20                                       | 43           | 567                               | 252          | 2,189                                    | 3,438        |
| Farmington                 | 5                                     | 2            | 22                                       | 23           | 482                               | 431          | 1,990                                    | 3,626        |
| Hobbs                      | 1                                     | 0            | 8                                        | 12           | 9                                 | 0            | 565                                      | 1,682        |
| Las Cruces                 | 6                                     | 12           | 146                                      | 176          | 150                               | 2,014        | 11,317                                   | 15,553       |
| Los Alamos                 | 5                                     | 8            | 17                                       | 75           | 208                               | 306          | 1,135                                    | 4,235        |
| Rio Rancho***              | 0                                     | 1            | 30                                       | 29           | 0                                 | 287          | 8,310                                    | 9,614        |
| Roswell                    | 5                                     | 7            | 83                                       | 96           | 913                               | 66           | 1,701                                    | 1,663        |
| Ruidoso                    | 0                                     | 0            | 3                                        | 12           | 0                                 | 0            | 500                                      | 1,428        |
| Santa Fe                   | 2                                     | 4            | 51                                       | 72           | 240                               | 698          | 9,930                                    | 11,727       |

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984. 1985 data is revised.

\* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.

\*\* Residential data includes both single and multi family units.

\*\*\* City of Rio Rancho reported Rio Rancho data.

Sources: City of Rio Rancho: Rio Rancho only;  
U. S. Department of Commerce, Bureau of the Census: all others.

## CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT  
(000)

|                                             | NEW MEXICO |                      |         | ALBUQUERQUE MSA* |                      |         | LAS CRUCES MSA** |                      |         | SANTA FE MSA*** |                      |         |
|---------------------------------------------|------------|----------------------|---------|------------------|----------------------|---------|------------------|----------------------|---------|-----------------|----------------------|---------|
|                                             | OCT. p     | % CHANGE<br>YEAR AGO | SEPT. r | OCT. p           | % CHANGE<br>YEAR AGO | SEPT. r | OCT. p           | % CHANGE<br>YEAR AGO | SEPT. r | OCT. p          | % CHANGE<br>YEAR AGO | SEPT. r |
| TOTAL CIVILIAN LABOR FORCE                  | 677.3      | -1.0                 | 671.0   | 258.2            | -0.2                 | 256.2   | 57.2             | -2.3                 | 55.2    | 65.6            | 1.0                  | 65.1    |
| Employment@                                 | 622.0      | 0.0                  | 615.6   | 241.6            | 0.2                  | 239.6   | 52.8             | -3.1                 | 51.1    | 62.1            | 0.9                  | 61.6    |
| Unemployment                                | 55.3       | -11.2                | 55.4    | 16.6             | -5.1                 | 16.6    | 4.4              | 7.4                  | 4.1     | 3.5             | 3.0                  | 3.5     |
| Unemployment rate (%)                       | 8.2        | -9.8                 | 8.3     | 6.4              | -5.8                 | 6.5     | 7.7              | 10.0                 | 7.4     | 5.3             | 0.0                  | 5.4     |
| NONAGRICULTURAL WAGE & SALARY<br>EMPLOYMENT | 540.9      | 1.8                  | 539.3   | 233.6            | 2.4                  | 234.1   | 40.0             | -3.6                 | 39.2    | 54.7            | 2.1                  | 54.9    |
| Mining                                      | 15.6       | 2.7                  | 15.3    | 0.2              | 0.0                  | 0.2     | 0.1              | 0.0                  | 0.1     | 0.1             | 0.0                  | 0.1     |
| Contract construction                       | 34.8       | -3.0                 | 35.0    | 16.8             | -2.8                 | 17.0    | 2.7              | 3.9                  | 2.8     | 3.3             | -2.9                 | 3.3     |
| Manufacturing                               | 40.4       | 4.7                  | 40.2    | 19.9             | 0.6                  | 19.9    | 3.4              | -8.1                 | 3.5     | 1.7             | 6.3                  | 1.7     |
| Durable goods                               | 26.5       | 7.3                  | 26.1    | 14.1             | -0.7                 | 14.1    | 1.3              | 8.4                  | 1.3     | 1.1             | 10.0                 | 1.1     |
| Nondurable goods                            | 13.9       | 0.0                  | 14.1    | 5.8              | 3.6                  | 5.8     | 2.1              | -15.9                | 2.2     | 0.6             | 0.0                  | 0.6     |
| Transportation & public utilities           | 29.0       | -2.0                 | 29.1    | 12.6             | 0.8                  | 12.6    | 1.3              | -7.1                 | 1.3     | 1.1             | -8.3                 | 1.2     |
| Trade                                       | 131.2      | 2.2                  | 131.9   | 60.9             | 4.2                  | 61.3    | 8.0              | 2.6                  | 7.9     | 11.1            | 5.8                  | 11.2    |
| Wholesale                                   | 22.7       | 1.4                  | 22.5    | 14.3             | 2.2                  | 14.3    | 0.9              | 0.0                  | 0.8     | 0.7             | 0.0                  | 0.7     |
| Retail                                      | 108.5      | 2.4                  | 109.4   | 46.6             | 4.8                  | 47.0    | 7.1              | 1.5                  | 7.1     | 10.4            | 6.2                  | 10.5    |
| Finance, insurance, & real estate           | 27.3       | 1.5                  | 27.4    | 15.0             | 4.2                  | 14.9    | 1.7              | 6.3                  | 1.7     | 2.2             | 4.8                  | 2.2     |
| Services                                    | 122.4      | 4.3                  | 123.2   | 63.9             | 5.1                  | 64.1    | 6.4              | 10.4                 | 6.2     | 14.0            | 4.5                  | 14.2    |
| Government                                  | 140.2      | 0.3                  | 137.2   | 44.3             | -0.8                 | 44.1    | 16.6             | -10.7                | 19.8    | 21.3            | -0.4                 | 21.1    |
| Federal                                     | 30.9       | 3.4                  | 31.2    | 12.9             | 2.4                  | 13.1    | 4.3              | 0.0                  | 4.2     | 1.6             | 0.0                  | 1.6     |
| State                                       | 47.2       | -9.2                 | 46.4    | 11.0             | -15.3                | 11.0    | 7.0              | -24.7                | 6.4     | 15.7            | -1.2                 | 15.6    |
| Local                                       | 62.1       | 7.3                  | 59.6    | 20.4             | 6.9                  | 20.0    | 5.3              | 6.0                  | 5.2     | 4.0             | 2.6                  | 3.9     |

N Not available, less than 50 jobs.  
p Preliminary.  
r Revised.

\* Bernalillo County.  
\*\* Dona Ana County.  
\*\*\* Santa Fe and Los Alamos Counties.  
@ Includes labor disputes.

Source: New Mexico Department of Labor.

## 1987 Economic Review and Outlook

(Continued from Page 1)

tures cannot be expected to drive the state's economy in the near future. Lower personal income growth combined with high consumer debt will restrict advances in retail trade and services. Consumer restraint will especially affect New Mexico's urban areas where trade and services are relatively more important. Construction employment is again projected to dip next year as nonresidential, multi-family and single family housing construction slackens.

The state's industrial sectors will be the bright spots next year. Manufacturing jobs are projected to rise 3.4 percent with electronics manufacturing in Albuquerque and transportation systems taking the lead. Within the mining sector, oil and gas jobs are projected to increase 7.0 percent and metal mining jobs to climb 9.0 percent over a year earlier.

Total nonagricultural employment is projected to grow just 1.0 percent in 1988 with an expected 4.9 percent increase in personal income. After dropping in 1987, real New Mexico

disposable personal income is expected to rise 1.2 percent. The New Mexico unemployment rate remains uncomfortably high at 8.7 percent in 1988. New Mexico's economy will continue to trail the U.S. economy in 1988—a trend which has emerged since 1986.

Albuquerque will see milder growth in 1988 as nonagricultural employment is expected to increase just 1.1 percent. Trade, services and finance, insurance, and real estate should grow more slowly. Moderate growth of 2.0 percent is projected in the government sector. Yet, construction will continue to shed jobs for the third year in a row. Multi-family construction is expected to rise from the ashes of an abysmal 1987; however, single family home building will decline slightly. Manufacturing will be the city's brightest sector. Diminished consumer spending and reduced federal outlays will short-circuit the Albuquerque economy next year.

Richard Zimmerman, Economist

### 1987 ECONOMIC CENSUS

By late December, over 3.5 million business establishments in the U.S. will have received questionnaires about their activities in calendar year 1987. The questionnaires are a part of the economic census conducted every five years by the U.S. Census Bureau. In this important canvass the nation's business and industrial firms are asked to report for each location on the number of employees, payrolls, and the value of goods and services produced or sold. In addition to the businesses that directly receive questionnaires, over 6 million very small firms are not canvassed. Data for these businesses are obtained from the administrative records of other government agencies.

The Census Bureau is required by law to protect the confidentiality of businesses, and no information will be disclosed about any individual firm. However, it is also a requirement of the law that all businesses respond to questionnaires received. The due date for returning the questionnaires is February 15, 1988. Reports by industry will be released from the fall of 1988 through 1990. Industries covered include manufacturing, mining, trade, services, transportation, and construction. Additionally, special reports will be prepared for minority and women-owned businesses.

All businesses receiving questionnaires are urged to respond as accurately and completely as possible. Prompt and accurate responses ensure reliable and useful data concerning the New Mexico economy. The information provides direct benefit to individual businesses. Firms can use census statistics to compare themselves with industry averages, calculate market shares, search for new markets and analyze trends.

### NOW AVAILABLE

The Bureau of Business and Economic Research through its Demographic Analysis and Projections Service (DAPRO) has recently updated projections of population and employment by county in New Mexico. The DAPRO subscription service provides a comprehensive analysis of the demographic and economic trends affecting New Mexico, along with more timely data. Although the complete report is not available to the nonsubscribing public, the projections have been released in an abbreviated format.

The abbreviated report contains projections of population by age and sex, for each county in five-year intervals, 1980-2010. Graphic presentations have now been included that show county population pyramids for 1980, 1990 and 2000. Additionally, the report contains projections of total county nonagricultural employment by year from 1985 through 1990 and then in five-year intervals from 1990 to 2010. The report is priced at \$27.50 plus a \$4.00 handling fee for mail out requests. For further information please call the Data Bank at 277-6626.

### 1990 CENSUS ADJUSTMENT

The Bureau of the Census has announced that it will not adjust the 1990 census counts "for purported undercount and overcount of population subgroups." Careful study of the issue has emphasized the reasons against reliable adjustment: lack of a universally acceptable technique; questionable improvement of the counts; the diversion of resources needed for the actual enumeration; and the creation of suspicions about the reliability and integrity of the counts, and particularly, their use in reapportionment and redistricting. In short, adjustment seems to create more problems than it solves.

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